are discouraging the villagers to drop the idea of running SSIs in villages;

(f) whether Government propose to take some action in the matter;

(g) if so, details thereof; and

(h) if not, reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) The Industrial Policy of the Government is designed to encourage investment and growth in Indian industry including large industry. The policy framework for industrial development supports industrial growth in an open and competitive environment. Except for a small identified negative list, the remaining industry sectors have been delicensed.

(c) The provisions relating to licensing and clearances under various laws have been liberalised and simplified for the small scale industries sector. However, small scale industries are required to fulfil the various standards and provisions contained in various laws relating to pollution control and labour welfare measures.

(d) No clearances or approvals are required to set up small scale industries in villages from the Department of Small Scale Industries. On the other hand, the Department of Small Scale Industries operates a voluntary registration scheme for the small scale industries. Small Scale units registgered with the District Industries Centres are eligible to obtain a host of incentives and support services given by the Central and State Governments. Electricity connecton to small scale uits. is provided by the State Electricity Boards for which suitable procedures are laid down by the respective Boards. Obtaining electricity connections is subject to the power availability situation of the particular area. Institutional credit to small scale units is provided by both banks and financial institutions in the form of term loans and working capital limits. Credit lending to small scale units is part of the priority sector lending by the banking institutions. There are a number of schemes to augment credit flow to the small scale units located in the various parts of the country.

(e) to (h) Small Scale Industries have registered impressive growth rates in various economic indicators in recent years. The number of small scale units in the country is estimated to have grown from 19.48 lakhs in 1990-91 to 27.24 lakhs in 1995-96. The growth rate registered by the Small Scale Industries Sector has increased from 7.1% in 1993-94 to 11.4% in 1995-96. The Central and State Governments are following a consistent policy of liberalising and simplifying the investment climate for small scale units in the rural areas. These policies have resulted in the buoyant growth registered by the SSI sector in recent years.

Modernisation of PSUs

1569. SHRI SATISH PRADHAN: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government have finalised modernisation/upgradation/diversification package for PSUs;

(b) if so, details thereof, project/PSU-wise;

(c) details of progress made in execution of these projects, project-wise, present status thereof; and

(d) details of steps/policy/measures/ package of incentives proposed for boosting investment in steel sector and ensure level for domestic units?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) The modernlsation/upgradatlon/ diversification packages are formulated by the concerned PSUs and is a continous process.

(d) The information is being collected and shall be laid on the Table of the House.